

May 22, 2009

(WASHINGTON, D.C.) -- U.S. Congressman Jason Altmire (PA-04) today released the following statement as President Obama signed the Credit Cardholder's Bill of Rights into law.

"This new law will help millions of American consumers regain their financial footing," Altmire said. "By ending the deceptive practices which have made it increasingly difficult for Americans to pay off their credit cards, this law will provide consumers with the level playing field they deserve. By putting in place these common-sense reforms, we have taken another important step forward in getting our economy back on track."

The Credit Cardholders' Bill of Rights will protect American consumers by enacting a number of much-needed reforms. These reforms include preventing unfair and arbitrary interest rate increases; requiring card companies to give 45 days notice of all interest rate increases so that consumers can pay off their balances and get better deals; ending "double cycle" billing to ensure card companies are not charging interest on debt that you paid on time; empowering consumers to set their own credit limits; protecting cardholders from due date gimmicks; and prohibiting companies from imposing excessive fees.

More than three-quarters of American families have credit cards and close to half of these families carry a balance. One-fifth of all Americans with credit card debt pay an interest rate above 20 percent. According to the Federal Reserve, the average amount of credit card debt among families carrying a balance was \$7,300 in 2007.